

FLAMA v1 Core  
Whitepaper  
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[Antonio Fernández](#)   [Marc Rodriguez](#)   [José Manuel Vázquez](#)

### Abstract

This Whitepaper gives a detailed description of the research and future plans of the Flama Project, its associated products, and solutions. It aims to inform holders of how the team expertise and funds are being used to provide a global vision on decentralized protocols.

Access to traditional banking is a luxury. DeFi ideas eliminate the need for central governance in financial products. By using an underlying technology known as Blockchain. Through Smart Contracts, users could hold, transfer, and trade their wealth without the need for centralized institutions (like banks).

This document also navigates into topics like the current scalability issue at Ethereum Blockchain and how Flama devs focused on a microtransaction strategy migrating to the brand new *Binance Smart Chain*.

## 1. DeFi Market outlook

*DeFi* is the acronym for *Decentralized Finance*, one of the fastest-growing sectors in the blockchain and cryptocurrency space. DeFi is an ecosystem of Decentralized Applications (dApps) that provide financial services built on distributed networks with no (or decentralized) governing authority.

It represents a movement that seeks to push borderless, censorship-free, and accessible financial products for everyone. Further, the vast majority of these dApps are built on the Ethereum blockchain, which further facilitates their interconnectivity.

Banks enable money to move around the world and are a vital part of the financial industry. Nevertheless, they are managed by humans and, as such, are vulnerable to human-related risks like mismanagement of funds and corruption. For an individual to have a method of safekeeping their earnings and use them to build more wealth should not be a privilege but a basic human right. Only by eliminating the barrier to entry, we can begin to fight the extreme poverty that plagues our world today.

The idea with Bitcoin was to take control of the money from governments and centralized banks and give it back to the actual deserving i.e. the money holder, and as a result bitcoin, the world's first decentralized cryptocurrency was created. With DeFi, the protocols used in these applications are built on top of public blockchains and in most cases are open-sourced for audit and transparency purposes. Their decentralized governance ensures everyone knows what is happening and there is no secret misuse of funds.

DeFi protocols are written as lines of code. The codes run exactly as they are programmed to. Any flaws would be detected almost immediately. This movement is geared towards bridging the gap between those fortunate enough to have access to financial products and services and those who are not. The goal is to make finance accessible to everyone.

## 2. dApp market outlook

dAPPs are interfaces that interact with a Blockchain through the use of *Smart Contracts*. These behave like regular web and mobile applications, with some variability in the backend. Inside the dApp market, DeFi dApps are meant to manage financial transactions that rely on and get notarized directly in the Blockchain.

*Smart Contracts* are the core function that pushed blockchain technology to the next level. By using it, developers and holders can eliminate the need for third-party intervention. A *Smart Contract* is essentially a programmable contract that allows two counterparties to set conditions for a transaction.

The majority of dApps in the DeFi ecosystem are built on the Ethereum Blockchain. Ethereum is an open-sourced platform on which software developers can write these *Smart Contracts*. Ether (or ETH) is the native cryptocurrency of the Ethereum blockchain. These transactions are all permanently recorded on the Ethereum Blockchain. Gas on Ethereum is a small fee that is paid with every transaction. This fee is, in more technical terms, the amount of computation effort required to execute these operations. The amount of Gas required depends on the complexity of the operation. These are paid entirely in ETH. As like anything, dApps have both positive and negative attributes:

### Pros

- Tamper-Proof: Smart contracts cannot be tampered with. Tampering would immediately alert every participant on the blockchain.
- Transparent: most *Smart Contracts* are open source.
- Availability: dApps built on the Binance network will remain active and usable as long as the network does, too.

### Cons

- Scalability: DeFi dApps performance is limited to the bandwidth of the blockchain it resides on. This is a key solution point in Flama's Vision.
- Transparent: Openly auditable smart contracts are publicly available, thus making it easier for hackers to seek vulnerabilities.

## 3. Binance Smart Chain (BSC)

*Binance Smart Chain* is an *Ethereum Virtual Machine*-compatible blockchain, that allows DeFi services to participate in cross-chain interoperability. High fees and slower speeds of the Ethereum Blockchain is the driving factor for building on BSC.

BSC extends the functionality of the original *Binance Chain* and joins a range of cutting-edge protocols designed to bridge the gap between various blockchains. Though still in its infancy, the promise of BNB staking alongside EVM compatibility makes the platform an ideal engine for developers building cheap-to-use decentralized applications. Ethereum may have kick-started the DeFi trend, but the wave of innovation might be destined to spread to other chains.

While *BSC* might not have the level of adoption Ethereum does at current, we believe in Binance's ability and drive to get it mighty close in the foreseeable future. Sure, launching on Ethereum would be the easiest thing to do and probably receive faster initial uptake, but are betting on BSC's future.

You can check [BSCScan](#) for projects that have already started utilizing Binance Smart Chain.

## 4. Flama Tokens

Flama tokens offer a way to call, verify, deploy, and order transactions in a Distributed Ledger, a record of consensus that is validated and held within the *Binance Smart Chain*. Flama uses custom *Smart Contracts* as deterministic exchange mechanisms.

The mission is to create an environment for freelance developers, to deploy on top of BSC.

This is fueled by the tokens **FMA and FLAPP**, which will adapt to the Flama ecosystem facilitating the development of decentralized blockchain-based applications, which in turn will encourage intensive use of the network.

**FMA** - [flamanet.io](http://flamanet.io)

[Smart Contract](#) [Uniswap Market](#) [Coinmarketcap](#)

It focuses on solving the problem of ordinary deflationary tokens, which due to their basic qualities are inefficient for use in the development of decentralized blockchain-based applications.

*FMA* is a state-of-the-art cryptocurrency token deployed on Ethereum Blockchain. It introduces an innovative crypto model based on a deflationary model. It **burns 2% of the supply** corresponding to the value of a given transaction.

The unique deflationary model gives Flama Token the growth that was previously missing

Token metrics\*:

- Ticker: FMA TOKEN
- Initial max Tokens: *50.000.000FMA*
- Current max Token: *42.800.000FMA*
- Current tokens burned: *10.320.000FMA*
- Supply In Circulation: *13.470.000FMA*

(\*) Updated 30/10/2020. Check [flamanet.io/#distribution](http://flamanet.io/#distribution) for up to date metrics.

Token utilities:

- 2% of every *FMA* transaction is burnt. 1% goes to stake rewards.
- *FMA* is tradeable in the spot market.
- *FMA* Token holders receive *FLAPP* dividends.
- *FMA* is the vote token for future DAO decision making.

Token distribution plan:

- Initial Uniswap Offering (50%): *25.000.000FMA*
- Funds for Staking, Listing, and Bounty Purposes (43,5%): *22.453.780FMA*
- Team Funds (6,5%): *3.250.000FMA*

**FLAPP** - [flapptoken.io](http://flapptoken.io)

[Smart contract](#) [Uniswap market](#)

The token to create an infrastructure for dApp development. A token that facilitates the creation of a developer community blockchain-based applications on top of *Binance Smart Chain*. *FLAPP* fees are the revenue stream of the Flama Project business model. An ecosystem for developers and users that facilitates the use and creation of blockchain-based dApps.

*FLAPP* tokens are consumed as “fuel” to register digital assets on the network and to publish/execute smart contracts, among other functions on the network.

*FLAPP* is the Flama project utility token that provides a full-stack alternative to traditional cloud computing for building secure, private Dapps. Incentivize developers to build high-quality applications on Binance Smart Chain.

Token utilities:

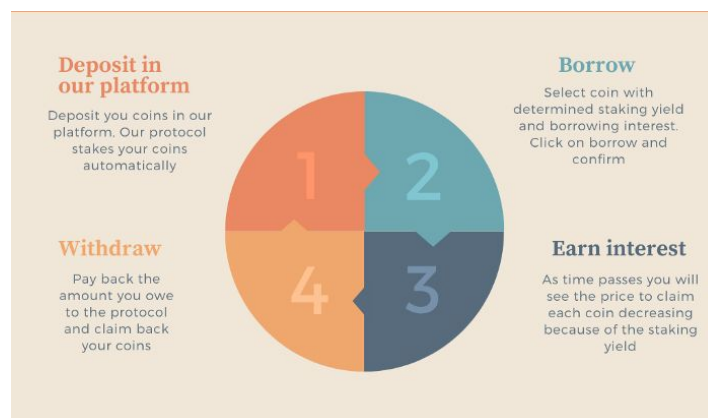
- *FLAPP* is tradeable in the spot market.
- *FLAPP* permits interacting with Flama DeFi Smart Contracts.
- *FLAPP* is accepted as a payment method in its associated *dApps*.

Token distribution:

- Airdrop for FMA holders: *13.000.000FLAPP*
- Initial Presale: *20.000.000FLAPP*
- Uniswap Liquidity: *20.000.000FLAPP*
- Funds for *dApps* rewards, airdrops, marketing, and development (Locked): *420.000.000FLAPP*

## 5. The first Flama *dAPP*. *iBorrowing/iLending*

Lending platforms offer the possibility to borrow a percentage of your holdings by depositing some coins and they charge interest for that. Flama developers created a protocol that allows borrowers to pay negative interest on their loans.



Alice has **10000DAI**. She wants to borrow some **ETH**.

Price of **DAI/ETH**

**A.** Current Borrowing:

1. Alice deposits **10000DAI (\$10000)** to get **ETH**.
2. The interest rate is **3,5%**.
3. After 1 year, Alice pays back  $\$100 + 3,5\% = \$10350$  in order to withdraw her **10000DAI**.
4. Alice pays **\$1,05** to claim each DAI ( $\$10500 / 10000$  DAI)

**B.** Flama Borrowing:

1. Alice deposits **10000DAI (\$10000)** to get **ETH**.
2. The stable interest rate is **4,5%**. It gives back **4%APY** staking reward.
3. After 1 year, Alice pays back  $\$10000 + (4,5\% - 4\%APY)^* = \$10050$  in order to withdraw her **10000DAI**.
4. Alice pays **\$1,005** to claim each coin ( $\$10500/10000DAI$ )

(\*)The protocol takes into account the staking yield, therefore reducing the price of borrowing.

## 6. Key Points of Flama Project

**Staking passive yield:**

Using the staking feature, FMA Token holders can stake their coins and, in return, earn passive income. Passive Income Get periodic dividends/staking rewards on holding your assets through any pre-defined trustless wallet. The most notable feature of Flama will be its staking system, allow stakers to receive periodic rewards in addition to Flapp Revenues.

**Minimal transaction fee**

Thanks to *Binance Smart Chain*, *FLAPP dAPPs* offer a significantly lower fee comparing to any other Ethereum protocol, making 30x lower fees while interacting with *Smart Contracts*.

**BEP-20 standard effect:**

As a BEP-20 token, it supports any wallet up to handle BNB transactions. BEP20 represents a token standard that is on the Binance Smart Chain. BEP20 is similar to ERC20 tokens that are issued and implemented on the Ethereum blockchain.

Binance has opened deposits and withdrawals of BEP20 tokens. If you have the supported assets on your Binance account, you can withdraw them to a BSC compatible wallet.

**DAO Governance (TBA):**

Governance DAOs help token holders to get united around common goals in DeFi. It gives opportunities for the community to self-organize and mutually influence each other's decisions on DeFi development directions.

This is not always an easy process and it brings a lot of various risks. The Flama Core developers expect to create a voting/consensus protocol where key decision making relies on the *FMA* holders and not on a classic institution structure.

**Bounty-focused development:**

Bounty programs are incentives offered to an array of participants for various activities associated with the project. The incentives can take the form of *FMA* or *FLAPP*.

Flama DAO is offering public bounties to incentive developers who are committed to grow the Binance Smart Chain and Flama community.

**Security:**

Flama Tokens are deployed on *Binance Smart Chain* which eliminates the risk of hacking a small and native Blockchain.

In terms of *Smart Contract* security audit, Flama and their related **Smart Contracts were not yet audited**.

**7. Disclaimer and risks**

As Flama is offering into the crypto market, the market is diversified, which makes us offer our services and products not only on the local scale but on the global sphere as well.

Finance Risks: While we already have the established infrastructure, the project still requires funding for further development and marketing of the required infrastructure. Moreover, we will also require funding for conducting the public crowdfunding, listing on crypto exchanges, and achieving future milestones as planned in the roadmap.

It is managed by a group with an established presence in the region, which gives us leverage among our competitors. However, the management still aims to hire and build a team of professionals for achieving blockchain-based features.

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